SASSY RESOURCES CORPORATION

MANAGEMENT'S DISCUSSION AND ANALYSIS

SIX MONTH PERIOD ENDED DECEMBER 31, 2020

(Expressed in Canadian Dollars)

Report Date – February 26, 2021

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is intended to assist in the understanding of the trends and significant changes in the financial condition and results of operations of Sassy Resources Corporation ("Sassy" or the "Company") for the six month period ended December 31, 2020. It should be read in conjunction with the condensed interim financial statements for the six month period ended December 31, 2020 and the audited financial statements for the year ended June 30, 2020 (the "Financial Statements") and the notes thereto.

Unless otherwise stated, financial results have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The Company's registered and records office is located at 804 – 750 West Pender Street, Vancouver, British Columbia, V6C 2T7, Canada. Additional information relating to the Company can also be found on the Company's website at www.sassyresources.ca or on the SEDAR website at www.sedar.com.

FORWARD LOOKING STATEMENTS

This document contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to as "forward-looking statements"). Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "expects" or "does not expect," "is expected," "planned," "budget," "scheduled," "estimates," "continues," "forecasts," "projects," "predicts," "intends," "anticipates" or "does not anticipate," or "believes," or variations of such words and phrases, or statements that certain actions, events or results "may," "could," "would," "should," "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any of our future results, performance or achievements expressed or implied by the forward-looking statements; consequently, undue reliance should not be placed on forward-looking statements.

Management believes the primary risk factors have been identified in the Risks and Uncertainties section of this document.

Forward-looking statements are based on a number of assumptions that may prove to be incorrect, including, but not limited to, assumptions about:

- general business and economic conditions;
- the potential mineralization and geological merits of the Foremore property;
- the potential mineralization and geological merits of the Nicobat property;
- the potential mineralization and geological merits of the Newfoundland property;
- the availability of equity and other financing on reasonable terms;
- our ability to procure equipment and operating supplies in sufficient quantities and on a timely basis;
- our ability to attract and retain skilled labour and staff; and

We caution you that the foregoing lists of important risk factors and assumptions are not exhaustive. Events or circumstances could cause our actual results to differ materially from those estimated or projected and expressed in, or implied by, these forward-looking statements. We undertake no obligation to update publicly or otherwise revise any forward-looking statements or the foregoing list of factors, whether as a result of new information or future events or otherwise, except as may be required under applicable laws.

DESCRIPTION OF BUSINESS

Sassy Resources Corporation (the "Company", "Sassy") was incorporated under the Business Corporations Act (British Columbia) on June 3, 2019. Sassy is an exploration stage mining company currently engaged in the identification, acquisition and exploration of precious metal resources in Canada. The Company completed a plan of arrangement with its former parent company, Crystal Lake Mining Corporation, wherein it acquired certain mineral properties located in British Columbia and Ontario, Canada (Refer to PLAN OF ARRANGEMENT).

The Company's principal business activities include the acquisition and exploration of mineral property assets. As at September 30, 2020, the Company had not yet determined whether the Company's mineral property interests contain ore reserves that are economically recoverable. The recoverability of amounts shown for exploration and evaluation assets is dependent upon the discovery of economically recoverable reserves, confirmation of the Company's interest in the underlying mineral claims, the ability of the Company to obtain the necessary financing to complete the development of and the future profitable production from the property or realizing proceeds from its disposition.

OVERALL PERFORMANCE

Since commencing operations in June 2019 Sassy has made great strides in its development as a precious metals exploration company. Sassy has acquired an exceptional exploration project (the "Foremore Property") located in the prolific Eskay mining camp in northwestern BC, raised in excess of $8,000,000 in equity capital, and has recently completed an extensive exploration campaign, including diamond drilling at the Foremore property. Results of the current exploration program will be released to shareholders as the information becomes available.

On August 17, 2020, the Company successfully listed and began trading on the Canadian Securities Exchange ("CSE") under the trading symbol "SASY". The Company subsequently listed its shares for trading on the Frankfurt Stock Exchange and Stuttgart Stock Exchange under the trading symbol "4E7" and the OTCQB under the trading symbol "SSYRF".

PLAN OF ARRANGEMENT

Effective February 18, 2020, the Company completed a plan of arrangement with Crystal Lake Mining Corp. ("Crystal Lake"), and as a result became a reporting issuer in the provinces of British Columbia and Alberta.

Pursuant to the terms of the arrangement agreement, the Company:

i) received Northwest Ontario nickel assets (the "Nicobat Property"), and took assignment of Crystal Lake's rights under a Letter of Intent dated June 24, 2019, subsequently amended on November 12, 2019, to acquire a 100% ownership interest in 35 mineral claims located in the Eskay Creek district of British Columbia (the "Foremore Property").

ii) issued 9,999,999 common shares to the shareholders of Crystal Lake.

RESOURCE PROPERTIES

Foremore Property

In February 2020, the Company purchased the rights to acquire a 100% interest in the Foremore Property by making certain cash payments, issuing common shares and incurring exploration expenditures by specified deadlines as outlined below:

Date	Common Shares	Cash	Exploration Expenditures
		($)	($)
On completion of the Plan of Arrangement (issued)	250,000	-	-
On or before August 13, 2020 (issued, paid and incurred)	250,000	50,000	150,000
On or before August 13, 2021	250,000	66,667	150,000
On or before August 13, 2022	250,000	66,667	300,000
On or before August 13, 2023	250,000	66,667	300,000
On or before August 13, 2024	-	-	300,000
Total	1,250,000	250,001	1,200,000

The Foremore Property is subject to a 3% NSR and the Company has the right to purchase back the royalty of 2% for $2,000,000 and an additional royalty of 0.5% for $1,000,000. On the fifth anniversary of the effective date of the Foremore Property option agreement, the Company is required to commence payment of an annual advanced royalty of $20,000 until such time as the Company elects to purchase the NSR. At that point the cumulative advanced royalties paid will be deducted from the NSR purchase price disclosed above.

In November 2020, the Company entered into an amending agreement wherein the Company made a final cash payment of $175,000 and issued 750,000 common shares to the vendor of the Foremore Property and acquired a 100% ownership, subject the aforementioned NSR, of the Foremore property.

The Foremore Property covers 14,585 ha and is located in the Stikine Terrane, the largest and westernmost allochthonous terrain of the Intermontane Superterrane. The Foremore Property is predominantly underlain by the Devono-Mississippian Stikine Assemblage, a suite of variably foliated mafic to felsic flows and volcaniclastics, interbedded limestone, and fine clastic sediments. Overlying these rocks and of limited aerial extent are arc volcanic rocks and sedimentary rocks of the Upper Triassic Stuhini Group. The eastern portion of the Foremore Property is dominated by the early Mississippian More Creek Pluton, coeval with and likely feeder to the Devono-Mississippian volcanic rocks. On the western portion of the property, a several kilometer long, northeast trending, low angle fault divides the lower, more foliated and phyllitic lithologies to the west from less foliated volcanic rocks to the east.

Mineralization on the Foremore Property is wide-spread and is classified into three main types: (1) volcanogenic massive sulphide (VMS), (2) Cu-Au skarn and (3) orogenic vein gold. The most significant VMS mineralization is hosted within the northeast trending More Creek Rhyolite along the southeast side of More Creek Flats at an elevation below 1,200m. The mineralization in the More Creek Rhyolite includes the BRT and Ryder surface showings. The second favored stratigraphic interval with a potential to hosting VMS deposits is marked by a sericitized felsic flow and volcaniclastic tuff named the SG Rhyolite.

Exploration in the area of the Foremore Property extends for over 30 years and includes prospecting, mapping sampling, airborne and ground geophysical surveys and 71 diamond drill holes.

RESOURCE PROPERTIES (continued)

In 2019, an exploration program was completed consisting of prospecting, mapping and sampling. Prospecting focused on areas that have recently been made accessible due to the rapidly receding glaciers and resulted in the discovery of the Toe Showing, which is characterized by 0.5 m wide, banded to massive pyrite-galena-sphalerite-chalcopyrite mineralization hosted in highly sericitic schist and breccia; the Toe Showing is located in the path of the retreated Foremore Glacier. A total of 574 samples were collected from across the property and analyzed for Au, Ag, Cu, Pb and Zn. Significant assay results include sample 1291684 from the Toe Showing with 19% Zn, 17.5% Pb and 4.53 g/t Au, sample B0020958 from the SG Showing with 12.5% Zn, 6.8% Pb and 12.8 g/t Au and sample 1291751 also from the SG Showing with 11.2% Zn, 8.5% Pb and 12.8 g/t Au.

<u>2020 Exploration Program Update</u>

Sassy personnel mobilized to the Foremore exploration camp and completed the construction of the 20-person, COVID-19 protocol camp in July 2020. The three month field program accomplished of the following:

- Phase-1 drill program focused on the historic BRT Showing and 2019 Toe Showing discovery. In all, nine drillholes tested the continuity of the BRT Showing along strike and to depth and two reconnaissance drillholes tested for the continuation of Toe Showing mineralization along strike and to depth. A geophysical crew tested for associated conductivity within and off-hole of boreholes drilled at BRT and Toe. Furthermore, selected surface profiles tested for conductivity from surface at both showings. A total of 1,499 meters were drill in the Phase-1 drill program;
- Property wide prospecting, sampling and geological mapping with an emphasis on the 2019 Westmore Discovery. In all, 1084 surface samples were submitted for analyses; of which, 822 surface samples were collected at the Westmore intrusive. Geological mapping was performed at the Westmore Discovery area;
- Phase-2 drill program focused on the 2019 Westmore Discovery. In all, six drillholes were drilled to test for continuity at depth and along strike of discoveries made in 2019 and additional surface discoveries of quartz-hosted visible gold ("VG") and galena mineralization. A total of 1,662 meters were drill in the Phase-2 drill program;
- A total of 2,144 Drill core samples were submitted for analyses.

The 2020 exploration program was a tremendous success. Drilling within the BRT and Toe Showing areas has demonstrated VMS-style mineralization occurring within a 5km corridor that the Company refers to as the More Creek Corridor ("MCC"). VMS-style mineralization was extended north and south of the historic BRT showing over a strike length of approximately 200 meters. Elevated gold-silver mineralization is associated with zinc-lead, minor copper mineralization, and weak, isolated conductivity is associated with this style of mineralization as demonstrated by borehole EM ("BHEM") surveys performed in 2020. The BRT Showing remains open for expansion in all directions within the MCC. Drilling at the Toe Showing demonstrated similar lithology to the lithology hosting the BRT Showing and other mineralized occurrences within the MCC; however, the 2020 drilling at the Toe Showing did not replicate the surface gold-silver plus zinc-lead-copper mineralization discovered in 2019. The structural complexity at the Toe Showing is now apparent and drilling in 2021 will be better aligned and designed to further test the Toe Showing at depth and along strike.

It was very apparent early within the 2020 surface sampling at the Westmore Discovery that VG occurs within multiple quartz vein sets that trend east-west across the host Westmore intrusive. It was also very common to see VG associated with galena mineralization within the vein sets. Assay results of the 822 surface samples suggests there is a possible geochemical or structural setting that controls the occurrence of high-grade gold and silver mineralization within the vein sets at Westmore. Geological mapping at the Westmore Discovery has confirmed the continuity of quartz vein sets and stockworks occurring within the host intrusive, but also the continuation of these mineralized quartz veins from the intrusive into the overlying mafic volcanic unit atop the Westmore intrusive and into the adjoining country rocks to the west of the Westmore intrusive. Prospecting within the MCC identified elevated gold mineralization within BRT-type host rock but at a lower stratigraphic level. Prospecting within the broad Hanging Valley area continued to encounter gold-silver mineralization within stratigraphic settings that compare to the BRT / MCC mineralized setting as well as identifying high-grade gold-silver mineralization associated with galena, chalcopyrite and sphalerite style of mineralization occurring at a well defined mafic volcanic, limestone contact.

Phase-2 drilling at the Westmore Discovery consisted of six drillholes. Four drillholes targeted quartz vein sets occurring within the southern section of the Westmore intrusive in which several occurrences of VG were recognized. Results suggest the continuation of VG and gold mineralization in the two distinct quartz vein sets that span approximately 150 meters and approximately 200 meters in strike. The surface VG / gold mineralization has been extended to depths of 25 meters below surface and there is evidence that other auriferous quartz vein sets sampled on surface extend to depths of 75 meters below surface. Two drillholes drilled in opposite directions and from the same setup, tested the continuation of mafic volcanic hosted quartz veins that exhibited VG and galena mineralization on surface to depth. Both drillholes intersected these same quartz veins to depth; however, failed to replicate the high-grade gold and silver mineralization sampled on surface.

Compilation and interpretation of all data collected at Foremore in 2020 is ongoing. The Company anticipates an aggressive exploration season in 2021 consisting of a high-resolution airborne geophysical survey to be completed in April 2021 followed by more drilling at Westmore, the MCC and several target areas within the broad Hanging Valley section of the Foremore Property.

A 43-101 compliant technical report (the "Foremore Au-Ag-Cu-Zn-Pb Property") on the Foremore Property was prepared by Trevor Boyd, the independent Qualified Person ("QP"), and was Sedar filed on February 24, 2020.

Newfoundland Property

On February 11, 2021, the Company entered into an option agreement with Vulcan Minerals Inc. ("Vulcan") wherein the Company can acquire a 100% ownership interest in 624 mineral claims (the "Newfoundland Property") located in the Gander Belt of the province of Newfoundland in exchange for making certain cash payments, issuing common shares and by incurring exploration expenditures by specified deadlines as outlined below:

Date	**Common Shares**	**Cash**	**Exploration Expenditures**
		($)	**($)**
On execution of the agreement (issued and paid)	1,000,000	100,000	-
On or before February 4, 2022	300,000	50,000	200,000
On or before February 4, 2023	300,000	50,000	400,000
On or before February 4, 2024	400,000	100,000	600,000
On or before February 4, 2025	500,000	100,000	800,000
Total	2,500,000	400,000	2,000,000

Vulcan will retain a 3% NSR on the Newfoundland Property, subject to a buyback provision which will allow the Company to acquire one half of the NSR in exchange for a cash payment of $2,000,000 and the issuance of 500,000 common shares.

Nicobat Property

The Nicobat Property consists of non-contiguous mineral claims located in the Rainy River district of Ontario. The property is subject to a 2% NSR, 1% of which may be purchased for a cash payment of $1,000,000.

PROPOSED TRANSACTIONS

There are no proposed transactions as at December 31, 2020 and the Report Date.

SELECTED ANNUAL INFORMATION

The Company's functional and presentation currency is the Canadian Dollar for all years presented.

	2020	2019	2018
	($)	($)	($)
Loss and comprehensive loss	(1,264,993)	(1,500)	-
Loss per share	(0.18)	(1500.00)	-
Total assets	3,744,053	1	-
Total long-term liabilities	-	-	-

RESULTS OF OPERATIONS

Six Month Period Ended December 31, 2020

The Company incurred a loss and comprehensive loss of $1,737,712 (2019 - $256,663) for the six month period ended December 31, 2020 ("Current Period"). The comparative numbers are not meaningful as the Company was only incorporated on June 3, 2019 and its operations had only just commenced. The primary sources of the reported loss in the Current Period were the share-based payments totaling $545,349 recorded for vested stock options, consulting fees totaling $400,614 resulting from outsourced staffing to initiate and maintain corporate operations, and travel and promotion totaling $408,482 which occurred in connection with increasing investor awareness of the Company and the Foremore project.

SUMMARY OF QUARTERLY RESULTS

	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
	($)	($)	($)	($)
Total revenue	-	-	-	-
Net loss for the period	(611,742)	(1,125,970)	(531,640)	(476,690)
Basic and diluted loss per share	(0.02)	(0.04)	(0.03)	(0.06)
Total assets	10,352,006	6,013,841	3,744,053	2,679,111
Total long-term liabilities	-	-	-	-

	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
	($)	($)	($)	($)
Total revenue	-	-	-	-
Net loss for the period	(87,152)	(119,511)	(1,500)	-
Basic and diluted loss per share	(0.11)	(119,511)	(1,500)	-
Total assets	312,739	184,348	1	-
Total long-term liabilities	-	-	-	-

The Company was incorporated on June 3, 2019, and as a result comparative figures prior to June 3, 2019 are not available.

LIQUIDITY

The Company's cash balance and working capital position on December 31, 2020 was $3,969,302 and $3,526,314, respectively, compared to $941,569 and $809,510 on June 30, 2020 due to equity placements completed during the period. Management is confident that it has sufficient working capital to meet its anticipated financial obligations for the next 12 months. However, if additional funds are required then there can be no assurances that funds will be available or on terms acceptable to the Company.

TRANSACTIONS WITH RELATED PARTIES

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers. The remuneration of directors and other members of key management personnel during the six month periods ended December 31, 2020 and 2019 is as follows:

	December 31, 2020	December 31, 2019
	($)	($)
Consulting fees	30,000	25,000
Management fees	100,000	100,000
Professional fees	37,500	-
Share-based payments	74,900	-
	157,235	125,000

As at December 31, 2020, a total of $34,373 (June 30, 2020 - $30,135) was included in accounts payable and accrued liabilities owing to the directors and officers of the Company.

Refer to COMMITMENTS section.

DISCLOSURE OF OUTSTANDING SHARE DATA

Authorized Capital

Unlimited common shares without par value.

Issued and Outstanding Capital

As at December 31, 2020 there were 38,221,156 common shares outstanding.

As at the Report Date, there were 39,931,156 common shares outstanding.

DISCLOSURE OF OUTSTANDING SHARE DATA (continued)

Warrants Outstanding

As at December 31, 2020, the following warrants were outstanding.

Expiry Date	**Number of Warrants**	**Exercise Price ($)**
July 17, 2021	3,040,000	0.10
November 21, 2022	3,750,000	0.45
November 21, 2022	49,700	0.25
November 29, 2022	113,000	0.50
November 29, 2022	17,920	0.35
November 29, 2022	140,000	0.45
January 28, 2023	6,132,061	0.50
January 28, 2023	280,300	0.55
October 22, 2022	51,108	0.90
October 22, 2022	789,314	1.25
October 22, 2022	33,542	1.20
October 22, 2022	687,501	1.50
November 2, 2022	29,696	0.90
November 2, 2022	29,400	1.50
November 2, 2022	2,940	1.20
November 2, 2022	741,833	1.25
	15,888,315	0.53

As at the Report Date, there were 15,178,315 warrants outstanding.

Options Outstanding

As at December 31, 2020 and the Report Date, the following options were outstanding.

Expiry Date	**Number of Options**	**Exercise Price ($)**
May 29, 2025	1,800,000	0.25
July 28, 2025	850,000	0.30
August 25, 2025	200,000	0.57
November 20, 2025	250,000	1.00
	3,100,000	0.34

SUBSEQUENT EVENTS

Subsequent to December 31, 2020, the Company:

a) issued 710,000 common shares pursuant to the exercise of share purchase warrants for cash proceeds of $138,500.

b) entered into an option agreement with Vulcan wherein the Company can acquire a 100% ownership interest in the Newfoundland Property located in the Gander Belt of the province of Newfoundland in exchange for cash payments totaling $400,000, the issuance of 2,500,000 common shares and by incurring at least $2,000,000 in exploration expenditures on the Newfoundland Property by the fourth anniversary of the effective date of the agreement. Vulcan will retain a 3% NSR on the Newfoundland Property, subject to a buyback provision which will allow the Company to acquire one half of the NSR in exchange for a cash payment of $2,000,000 and the issuance of 500,000 common shares.

COMMITMENTS

Under the terms of their management agreement, a certain officer of the Company is entitled to six months of base pay in the event of their agreement being terminated without cause.

CAPITAL MANAGEMENT

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of the components of shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets.

The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the period ended December 31, 2020.

FINANCIAL INSTRUMENTS

The Company is exposed in varying degrees to a variety of financial instrument related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to risk is on its cash. The Company holds its cash in substantial financial institutions to mitigate risk. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

FINANCIAL INSTRUMENTS (continued)

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company prepares general operating budget to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company uses its best efforts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

The Company's financial liabilities consist of accounts payable and accrued liabilities, all of which are due within twelve months.

The Company's main source of funding has been through the issuance of equity securities for cash. The Company's access to financing in the public markets is always uncertain. The Company is exposed to liquidity risk.

Commodity risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for gold and silver are impacted by world economic events that dictate the levels of supply and demand. The Company had no hedging contracts in place as at or during the period ended December 31, 2020.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Foreign exchange risk

Foreign currency exchange rate risk is the risk that the fair value of assets and future cash flows will fluctuate as a result of changes in foreign currency exchange rates. However, the Company's functional currency is the Canadian dollar and the Company doesn't have any material assets or operations that are denominated in a foreign currency. Accordingly, the Company is not exposed to any material foreign exchange risk and has not hedged its limited exposure to currency fluctuations.

Classification of financial instruments

The Company classifies its other financial assets and other financial liabilities measured at fair value using a fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The fair value hierarchy has the following levels:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: Inputs for the asset or liability that is not based on observable market data (unobservable inputs).

FINANCIAL INSTRUMENTS (continued)

Financial assets included in the statement of financial position are cash. Financial liabilities included in the statement of financial position include accounts payable and accrued liabilities. The fair value of cash is measured using Level 1 of the fair value hierarchy. The fair value of accounts payable and accrued liabilities approximate the carrying amount due to their short term to maturity. The effect of changes in the Company's credit risk do not have a significant impact on the fair value due to the short term to maturity.

Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. The capital structure of the Company consists of the components of shareholders' equity.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may attempt to issue new shares, issue debt and acquire or dispose of assets.

The Company is not subject to any externally imposed capital requirements.

There have been no changes to the Company's approach to capital management during the period ended September 30, 2020.

CRITICAL ACCOUNTING ESTIMATES

The preparation of these financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of expenses during the period. Actual results could differ from these estimates.

These financial statements include estimates which, by their nature, are uncertain. The impacts of such estimates are pervasive throughout the financial statements, and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised and future periods if the revision affects both current and future periods. These estimates are based on historical experience, current and future economic conditions and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant assumptions about the future and other sources of estimation uncertainty that management has made at the reporting date that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

Income taxes
The calculation of income taxes requires judgment in applying tax laws and regulations, estimating the timing of the reversals of temporary differences, and estimating the reliability of deferred tax assets. These estimates impact current and deferred income tax assets and liabilities, and current and deferred income tax expense (recovery).

Non-monetary transactions
Assets exchange or transferred in non-monetary transactions are measured at the fair value of the asset given up or the fair value of the asset received, whichever is more reliable.

CRITICAL ACCOUNTING ESTIMATES (continued)

Significant judgments that management has made at the end of the reporting period are as follows:

Carrying value and the recoverability of exploration and evaluation assets
Management has determined that exploration, evaluation and related costs incurred which were capitalized may have future economic benefits and may be economically recoverable. Management uses several criteria in its assessments of economic recoverability and probability of future economic benefits including geologic and other technical information, history of conversion of mineral deposits with similar characteristics to its own properties to proven and probable mineral reserves, scoping and feasibility studies, accessible facilities and existing permits.

Going Concern
The assessment of the Company's ability to continue as a going concern and whether there are events or conditions that may give rise to significant uncertainty.

ACCOUNTING POLICIES AND FUTURE ACCOUNTING POLICIES

Refer to the Financial Statements for details on accounting policies adopted in the year as well as future accounting policies.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has not entered into any off-balance sheet arrangements.

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The information provided in this report, including the financial statements, is the responsibility of management. In the preparation of these statements, estimates are sometimes necessary to make a determination of future values for certain assets or liabilities. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying consolidated financial statements.

OUTLOOK

The effects of COVID 19 has had a significant impact on mining industry as well as the world in general. With the global economy slowing down the demand and price for commodities such as oil have hit 20 year lows. Conversely, the safe haven of gold has seen its price rise to more than US$1,800 per ounce. We believe the demand for gold and silver will continue to increase and the future for exploration stage companies is very bright. With the completion of the Company's funding rounds and public listings on the CSE, Frankfurt and OTCQB stock exchanges, Sassy positioned to succeed. The 2020 exploration campaign was successfully completed and management eagerly await the final assays from the Foremore diamond drill program. Furthermore, planning for the upcoming 2021 exploration program at Foremore is well underway.

RISKS AND UNCERTAINTIES

The Company is in the energy exploration and development business and as such is exposed to a number of risks and uncertainties that are not uncommon to other companies in the same business. Exploration for and development of mineral properties involves a high degree of risk, and the cost of conducting programs may be substantial and the likelihood of success is difficult to assess.

Beyond exploration risk, management is faced with other possible risks which include the following:

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Company's primary exposure to risk is on its cash. The Company holds its cash in substantial financial institutions to mitigate risk. The carrying amount of financial assets recorded in the financial statements represents the Company's maximum exposure to credit risk.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company prepares general operating budget to help determine the funds required to support the Company's normal operating requirements on an ongoing basis. The Company uses its best efforts to ensure that there are sufficient funds to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

The Company's financial liabilities consist of accounts payable and accrued liabilities, all of which are due within twelve months.

The Company's main source of funding has been through the issuance of equity securities for cash. The Company's access to financing in the public markets is always uncertain. The Company is exposed to liquidity risk.

Commodity risk

Commodity price risk is the risk that the fair value of future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for gold and silver are impacted by world economic events that dictate the levels of supply and demand. The Company had no hedging contracts in place as at or during the period ended September 30, 2020.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to significant interest rate risk.

Foreign exchange risk

Foreign currency exchange rate risk is the risk that the fair value of assets and future cash flows will fluctuate as a result of changes in foreign currency exchange rates. However, the Company's functional currency is the Canadian dollar and the Company doesn't have any material assets or operations that are denominated in a foreign currency. Accordingly, the Company is not exposed to any material foreign exchange risk and has not hedged its limited exposure to currency fluctuations.

CORPORATE INFORMATION

Directors:	Mark Scott Richard Savage Kate McLaughlin Robert Stewart
Officers:	Mark Scott – CEO Sean McGrath – CFO and Corporate Secretary Ian Fraser – VP of Exploration
Auditor:	Davidson and Company LLP Suite 1200 – 609 Granville Street Vancouver, BC V7Y 1G6
Legal Counsel:	Forooghian+Co 1050 – 400 Burrard Street Vancouver, BC V6C 3A6
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